ECONOMIC SURVEY OF RHODESIA FOR 1965

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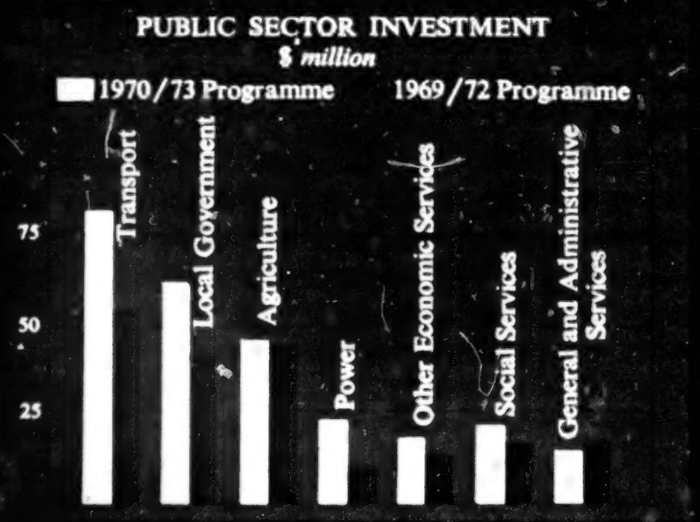
PUBLIC SECTOR INVESTMENT PROGRAMME for 1970-73

The Public Sector Investment Programme for the three years 1970 to 1973 amounts to $257 million, a third higher than the 1969–72 plan. The increase arises mainly from the greater emphasis given to economic services on which $223 million will be spent compared with the planned expenditure of $162 million in the previous programme.

Of the total planned expenditure, 87 per cent will be spent on economic services, 8 per cent on social services and 5 per cent on general and administrative services.



Transport services will account for $77 million of the expenditure on economic services. Rhodesia Railways spending will amount to $56 million and is dictated by forecasts of traffic movement and the need to replace rolling stock and improve the permanent way. Civil aviation expenditure of $1 million will meet increasing demands for improved facilities. Some $15 million will be spent on the further development of Rhodesia's trunk road system. In particular, reconstruction work will continue on the roads from Beitbridge, Bulawayo and Umtali to Fort Victoria.

Local government services will require $56 million. There are heavy demands for water supplies, African housing and electricity distribution. The following shows the main categories of investment expenditure:—

	$ *million*
Water	25
African housing	12
Electricity distribution	6
Offices and other buildings	5
Roads	4
Sewerage installations	3

Major projects to be undertaken by the local authorities include water works at Umtali, Gwelo and Bindura and the extension of sewerage facilities at Gatooma, Fort Victoria, Umtali and Gwelo.

Agriculture will benefit from a substantial investment of $47 million for land development, extension of marketing facilities, loans, research and water development.

Nearly $8 million will be available to the Sabi Limpopo Authority for the further development of the south eastern lowveld of Rhodesia. The Authority's Mkwasine scheme is nearly completed and the development effort is now concentrated on the Middle Sabi scheme, where additional water supplies from the new Lesapi dam and the completion of a new power line from Umtali to the lowveld will bring into production an additional 20,000 acres of irrigated crops over the next four years. The private sector is participating in this development through an initial loan of $2·5 million to the Authority.

Marketing facilities will be improved by the completion of the Gatooma abattoir in 1971 and the construction of another bulk grain handling depot. The facilities of the Dairy Marketing Board are being extended to improve efficiency of operation.

Water development projects will require nearly $7 million, part of which will benefit the Tribal Trust Lands. In addition $5 million will be spent on development schemes and the opening up of new settlement areas in the Tribal Trust Lands. A large proportion of the funds will be paid out in wages to inhabitants of the localities in which these projects will be undertaken.

Investment in power supplies amounting to $25 million will be undertaken by the Central African Power Corporation and the Electricity Supply Commission. It will be concentrated on the development of the transmission system in Rhodesia. The Electricity Supply Commission has, over the past few years, shown a marked improvement in profitability. An accumulated deficit of $3 million in 1961 has now been turned into a surplus of more than $2 million through increased efficiency and lower average costs of Kariba power resulting from increased electricity sales in Rhodesia. In the last eight years the Commission has doubled its sales of electricity and considerably extended its area of distribution. The Commission now raises its own development capital on the local money market.

Capital expenditure on other economic services will be $18 million. The investment plans of the Posts and Telecommunications Corporation, the successor to the Ministry of Posts as from the 1st July, 1970, have been geared to meet the need for a substantial modernisation and replacement programme. These plans total $14 million in the coming three years. The full programme will be spread over a period of eight to ten years. Priority will be given to revenue earning projects which will enable the Corporation to finance its own development needs in the years ahead.

The development of social services will cost $21 million. The rapid industrial and commercial expansion which has taken place during the last few years, particularly in the Salisbury area, has created heavy demands for African housing. Government will spend $8·3 million on new housing in addition to the $12·1 million by local authorities. The major development scheme is in the Salisbury area, where the efforts of the Salisbury Municipality will be supplemented by the building of 6,000 housing units by Government. Some $1·5 million for this scheme will be provided by building societies. This additional housing will help considerably towards alleviating the present shortage.

Investment on education and technical training will be $6 million. The main outlay on European education will provide further boarding and classroom accommodation. Additional hostel accommodation will also be provided at the Teachers' Training College in Bulawayo. Expenditure on African Education is designed to provide a seven year's course of primary education for all African children who can reach a school. Of those children who complete the primary course, facilities will be made available for 12½ per cent to receive four years academic secondary education and for 37½ per cent to receive a two year course of vocational training.

Expenditure of $4 million is planned for health services. Almost half of this amount relates to the new Salisbury hospital. The ultimate cost of this project will be substantial—the present estimate of the cost is $10 million.

General and administrative services will account for $14 million. About $2·5 million will be spent on Government office accommodation mainly in Salisbury. The shortage of Government office accommodation in Salisbury is now serious and in order to alleviate the problem a six year construction programme will commence in 1971. A new Magistrates' Court in Salisbury will be completed in 1973 at a cost of $1·3 million. Nearly $4 million will be spent on civil service housing in the smaller centres and rural areas.

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Since 1967, Rhodesia's tourist traffic has grown steadily at an annual rate of between 10 and 13 per cent. Last year 300,000 visitors spent $14 million in Rhodesia. Both Government and commercial organizations are faced with the challenge of expanding accommodation and other tourist facilities rapidly. There have been extensive advances in the private sector. In addition to numerous improvements to existing hotels, five new hotels were completed in 1969, while more than 20 major hotel projects are in various stages

of implementation. Planned expenditure on known schemes exceeds $65 million.

In the public sector considerable progress has been made and is continuing in the development of airfields, roads, national parks and game reserves. The national parks programme, for instance, provides for additional tourist accommodation and improvement of facilities in the Wankie, Victoria Falls and other national parks.

The major reconstruction of the Beitbridge/Fort Victoria road is being continued and most of this work will be completed by the end of 1971. This development should attract more South African tourists to Rhodesia, particularly to the eastern districts. Air travel facilities are being improved at Bulawayo, Wankie National Park, Kariba and Fort Victoria. The extension to the Salisbury runway has been completed and preliminary investigations are being undertaken for increased passenger handling facilities to meet demands at peak periods.

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